# GOVERNMENT OF INDIA
# RAILWAYS
# LOK SABHA

UNSTARRED QUESTION NO:3902
ANSWERED ON:03.05.2007
GUIDELINES FOR FREIGHT INCENTIVE SCHEMES
Singh Smt. Pratibha

**Will the Minister of RAILWAYS be pleased to state:**

(a) whether the Railways have notified policy guidelines for freight incentive schemes on tariff including an incentive scheme for traditional empty flow direction on March 28, 2006 wherein discount on freight upto 30% on transportation of goods is allowed on the return journey;

(b) if so, the details thereof;

(c) whether some of the Railway Divisions are not complying with the above guidelines;

(d) if so, the details thereof and the reasons therefor;

(e) Whether limestone raw material is being deprived of freight incentive scheme by the Northern Railway;

(f) if so, the reasons therefor;

(g) whether the Railways have received any request from the Government of Himachal Pradesh regarding the above matter to remove the discrepancy in the scheme and extend the benefit of concessional tariff rate on transportation of goods by trains from northern region to other region, particularly in the States of Madhya Pradesh, Bihar, Orissa and Jharkhand; and

(h) if so, the reaction of the Railways thereto ?

## Answer

MINISTER OF THE STATE IN THE MINISTRY OF RAILWAYS ( SHRI R. VELU)

(a)& (b) Yes , Sir. Railways had notified policy guidelines for freight incentive schemes on tariff including an incentive scheme for traditional empty flow direction. 30% freight discount in lean season and 20% freight discount in busy season was granted on incremental traffic in the notified Traditional Empty Flow Directions under the Incentive Scheme for Traditional Empty Flow Direction, subject to certain terms and conditions.

(a) No, Sir.

(b) Does not arise.

(e)&(f) Raw Material to Steel Plants was excluded from the purview of the scheme of March28, 2006. It is no longer so.

(g)&(h) Yes, Sir. As per Rate Circular No 64 of 2006, sanction of the Ministry of Railways was accorded to grant freight concession on movement of Limestone from Northern Railway to Eastern Railway and South Eastern Railway under the Long Term Special Incentive Scheme. Northern Railway was asked to examine the specific proposal in detail under Long Term Special Incentive Scheme and was allowed to grant freight concession upto 20% and 30% in busy and lean season respectively, provided the proposal was financially viable. Further, concession on Limestone has been permitted in the current Incentive Scheme for Traditional Empty Flow Direction issued vide Rate Circular No 25 of 2007 which is effective from 01.4.2007.